

**GOVERNMENT OF ANDHRA PRADESH
ABSTRACT**

Public Services - Dr B.Ravi Kumar, the then Director of Insurance Medical Services (i/c), Andhra Pradesh and presently working as Civil Surgeon Specialist, ESI Hospital, Vijayawada - Departmental proceedings under Rule 20 of the Andhra Pradesh Civil Services (Classification Control and Appeal) Rules, 1991 - Articles of Charges - Issued.

LABOUR, FACTORIES, BOILERS AND IMS (IMS&VIG) DEPARTMENT

G.O.Rt.No.164

Dated:11.05.2022

Read the following:-

- 1.From the DG, (V&E) & E.O. Prl. Secy. to Govt. VR.No.1, (C.No. 2982/V&E/Sec.II/D2/2019-1&2&836/V&E/Sec.II/D2/2019-1) Dt.03.01.2020.
- 2.From the Director of Insurance Medical Services, A.P., Vijayawada Lr. Rc. No. 1625923/SM/DIMS/2022, dated:15.03.2022

ORDER

It is proposed to hold an inquiry against Dr. B. Ravi Kumar, the then I/c Director, Insurance Medical Services and CSS, ESI Hospital, Vijayawada, Krishna district in accordance with the procedure laid down in Rule 20 of the Andhra Pradesh Civil Services (Classification, Control and Appeal) Rules, 1991.

2. The substance of the imputations of misconduct or misbehavior in respect of which the inquiry is proposed to be held is set out in the enclosed Statement of Articles of Charges (Annexure-I). A statement of imputations of misconduct or misbehavior on which action is proposed to be taken against him is enclosed (Annexure-II). A list of documents by which and a list of witnesses by whom the Articles of charges are proposed to be sustained are also enclosed (Annexure- III&IV).

3. Dr. B. Ravi Kumar, CSS, ESI Hospital, Vijayawada, Krishna district and the then I/c Director, Insurance Medical Services is directed to submit his written statement of defense within (10) days from the date of receipt of this Government Order a written statement of his defence and also to state whether he desires to be heard in person.

4. Dr. B. Ravi Kumar, CSS, ESI Hospital, Vijayawada, Krishna district the then I/c Director, Insurance Medical Services is further informed that an inquiry will be held only in respect of those articles of charges are not admitted. He should, therefore, specifically admit or deny each article of charge.

5. Dr.B. Ravi Kumar, CSS, ESI Hospital, Vijayawada, Krishna district the then I/c Director, Insurance Medical Services is further informed that if he does not submit his written statement of defense on or before the date specified in Para-3 above or does not appear in person before the Inquiry Authority otherwise fails or refuses to comply with the provisions of Rule 20 of the Andhra Pradesh Civil Services (Classification, Control and Appeal) Rules, 1991 or the orders/directions issued in pursuance of the said rules, the inquiring authority may hold the inquiry against him exparte .

6. Attention of Dr. B. Ravi Kumar, the then I/c Director, Insurance Medical Services and CSS, ESI Hospital, Vijayawada, Krishna district is invited to rule 24 of the A.P. Civil Services (Conduct) Rules, 1964 under which no Government Servant shall bring or attempt to bring any political or outside influence to bear upon any superior authority to furtherance of his interests in respect of matters pertaining to his service under the Government. If any representation is received on his behalf from another persons in respect of any matter dealt with these proceedings, it willbe presumed that he is aware of such a representation and that it has been made at his instance and action will be taken against him for violation of Rule 24 of the A.P. Civil Services (Conduct) Rules, 1964.

7. Dr. B. Ravi Kumar, the then I/c Director, Insurance Medical Services and CSS, ESI Hospital, Vijayawada, Krishna district is specifically informed, that this order does not preclude the disciplinary authority to frame fresh charges, if any other irregularities are noticed during the course of disciplinary action.

(P.T.O)

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8. The receipt of this G.O. should be acknowledged.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

G. ANANTHA RAMU
SPECIAL CHIEF SECRETARY TO GOVERNMENT (FAC)

To
Dr. B. Ravi Kumar, CSS, ESI Hospital, Vijayawada, Krishna district through the Director,
Insurance Medical Services, Andhra Pradesh, Vijayawada.

Copy to:

The Director, Insurance Medical Services, Andhra Pradesh, Vijayawada with a
request to serve the Articles of charge on the individual and furnish the dated ACK. Of served
copy for record.

//FORWARDED::BY ORDER//

J. Vijaya Kumar
SECTION OFFICER
[Signature]

ANNEXURE - I

Statement of Article of Charges framed against Dr.B.Ravi Kumar, the then I/c Director, Insurance Medical Services and CSS, ESI Hospital, Vijayawada, Krishna district.

That the said Dr. B. Ravi Kumar former I/c Director of Insurance Medical Services, Government of Andhra Pradesh from 04.11.2014 to 05.07.2016, had committed the grave misconduct and irregularities as mentioned in the article of charges.

Article of charge -1

That Dr. B. Ravi Kumar while working as Incharge Director of Insurance Medical Services Purchased Non RC drugs, Surgicals, Lab kits, Medical Equipments and furniture worth of Rs. 325.21 Cr at exorbitant rates by violating GOs and ESIC guide lines issued from time to time.

Article of charge - 2

That Dr. B. Ravi Kumar while working as Incharge Director of Insurance Medical Services issued purchase orders for excess rates using fabricated quotations prepared by his own staff with the active collusion of distributors by taking illegal gratification in order to get Wrongful personal gain and to share with other vested interests.

Article of charge - 3

That Dr. B. Ravi Kumar while working as Incharge Director of Insurance Medical Services payments were made to the firms by diverting the funds as released for administrative charges to do undue favor to firms and payments were made from irrelevant HsOA by violating financial code.

Article of charge - 4

That Dr. B. Ravi Kumar while working as Incharge Director of Insurance Medical Services has failed to utilize allotted budget judiciously and procured unnecessary goods & services by exceeding budgetary provisions.

Article of charge - 5

That Dr. B. Ravi Kumar while working as Incharge Director of Insurance Medical Services has failed to follow basic established office procedures like preparation of note files, comparative statement, processing payments through Audit Section, etc.,

Article of charge - 6

That Dr. B. Ravi Kumar while working as Incharge Director of Insurance Medical Services payments were made by giving preference to Non RC companies keeping pendency for RC companies and failed to follow First come first serve basis

Article of charge - 7

That Dr. B. Ravi Kumar while working as Incharge Director of Insurance Medical Services has failed to procure drugs, surgicals and consumables under State Govt. RC, when a particular drug is not available in ESIC RC as per ESIC guidelines

Article of charge - 8

That Dr. B. Ravi Kumar while working as Incharge Director of Insurance Medical Services has purchased lab analysers i.e., HibA1 C5001 analyser and WBC Differential Analyser for Rs.2,45,90,370/ without calling for open tenders and received stocks in DIMS without maintaining stores & records

Article of charge - 9

That Dr. B. Ravi Kumar while working as Incharge Director of Insurance Medical Services has purchased lab kits/ consumables/ reagents, etc., comes under proprietary category (Hemocue company) from unauthorized entities like Avator, Legend and Omni Medi and paid an amount of Rs. 107.00 Cr.

By his above mentioned acts, he has exhibited lack of integrity, irresponsible towards his legitimate duties, maintaining integrity, devotion to duty and unbecoming of a Government Servant and hereby violated Rule 3(i) of the AP Civil Services (Conduct) rules, 1964.

G. ANANTHA RAMU
SPECIAL CHIEF SECRETARY TO GOVERNMENT (FAC)

//FORWARDED::BY ORDER//

K. Vijaya Kumar
SECTION OFFICER

ANNEXURE - II

Statement of imputations of misconduct and irregularities in support of Article of Charges framed against Dr. B. Ravi Kumar, CSS, ESI Hospital, Vijayawada, Krishna District and the then I/c Director, Insurance Medical Services.

The Vigilance & Enforcement officials have enquired regarding the misappropriation in the Directorate of Insurance Medical Services, Andhra Pradesh, Vijayawada in procurement of Drugs, Medical Equipment, Biometric Machines, Furniture, engaging the services of call center and ECG Test through M/s. Tale Health Services and establishment of Sewage Treatment plants at 03 Hospitals and one Diagnostic Center through M/s. Jalam Environmental Pvt Ltd., during the tenure of previous three I/c. Directors of Insurance Medical Services i.e Dr. B. Ravi Kumar (01-11-2014 to 05-07-2016), Dr. C.K. Ramesh Kumar (06-07-2016 to 01-11-2017) and Dr. G. Vijaya Kumar (02-11-2017 to 07-05-2019) and submitted report to the Government. The following are the lapses, irregularities noticed during the enquiry.

1. Being served as Director, Insurance Medical Services he is not fully acquainted with all relevant Acts, Manuals, G.Os and Circulars issued by Government of Andhra Pradesh from time to time. He is not well versed with finance rules, administrative rules and purchase policies of IMS and ESIC. During his tenure he procured drugs under non R.C, surgicals, lab kits, furniture and medical equipment and issued purchase orders worth Rs.325.00 crores, but not followed any of the procedures laid in G.O.Ms. No.489, Finance dt.08.12.2008, guidelines of DG, ESIC, G.O.Ms.No.51, dt.01.06.2010, G.O.Ms.No.51, dt.09.04.2012, G.O.Ms.No.258, dt.20.09.2013, G.O.Ms.No.40, dt.14.02.2014, G.O. Ms. No.2,dt.03.02.2014 and Letter No.U-16/52/2001/Med-II(AP), dt.22.11.2016. Out of Rs.325.18 crores, 212 Cr worth drugs (Rs10.73 Cr Non-RC and Rs. 201.68 Cr RC Drugs). He procured drugs by following limited tender/ Quotation system. He did not follow open tender system by way of e- procurement and purchased some of drugs from the firms registered outside the state in violation of G.O.Ms.No.51 I&C Dated.01.06.2010. He did not constitute Drug Procurement Committee and Tenders Scrutiny Committee and failed to follow G.O.Ms.No.51, Dt.09.04.2012. He procured drugs other than specialist drugs and other than drugs listed in RC contract of ESIC against the provisions laid down in the G.O.Ms.No.51.

The Drugs were purchased from the local Distributors and Dealers instead of Firms, which are in the approved / registered list of ESI Corporation by violating ESIC guidelines No.U-16/52/2001/Med-III (AP), Dt.22.11.2016 and its Purchase Procedure Guidelines. Purchased directly from the local Distributors/Dealers without following State Rate Contract by violating the ESIC guidelines.

From 2014-15 to 2018-19, the Directors, IMS purchased lab kits / reagents worth Rs.237.03Cr only from three firms viz., M/s. Legend Enterprises, M/s. Avantor Performance Pvt., Ltd., and M/s. Omni Med on nomination basis without going for Open Tenders by way of e-Procurement.

From 2014-15 to 2018-19, the then Directors have issued orders for purchasing of Surgical, Lab Kits and other etc., worth of Rs.265.74 Crores i.e., beyond the budget provisions of Rs.154.42 Crores which is in excess of 72% and made undue favour to Non RC firms by violating Article.4 of AP Financial Code.

Purchased furniture worth Rs.6.62 Cr during the period between 2014-15 to 2018-19 and issued purchase orders without mentioning specifications of the furniture to be procured. Further, the suppliers also did not mention the specifications of the furniture in their invoices. No Technical Committee/ Purchase Committee have been constituted by the Directors, IMS for purchase of furniture.

There are instructions from ESIC that Emergency Drugs are to be procured from Empanelled Chemists by following the GFR (General Finance Rules) of ESIC norms. But,

the he failed to empanel the chemist for procurement of Emergency Drugs and thereby failed to follow the above guidelines and purchased Emergency drugs from local distributors with Empanelled Chemist. The Govt. authorized Medical Superintendents of ESI Hospitals and Diagnostic Centers for procurement of Life Saving Drugs in emergency with a financial power not exceeding Rs.10,000/- and authorised I/c. Medical Officer of Dispensaries with financial power of not exceeding Rs.1,000/-. Though, there is a specific provision for procurement of Emergency and Life Saving Drugs at hospital and diagnostic center level as per G.O.Ms.No.51,LET&F Dept., he purchased ordinary drugs under the guise of Emergency drugs at Directorate level by violating the G.O through Non RC firms.

Drugs purchased through Non RC firms, even though the equivalent drugs are available in RC. On scrutiny of their PO files with ESIC-RC prices / State RC / prices available in online websites like PharmaSahiDaam, etc., it is observed that all Non RC Drugs were purchased at exorbitant rates. In the past five years, an excess amount of Rs.51.02 Cr. (132%) was paid to Non RC firms, when compared with the price of ESIC-RC, etc., The following table clearly shows the year-wise excess amount paid and its percentage:

Sl. No.	Year	Value of the drugs purchased in Non RC	Value of the drugs as per RC	Excess amount paid than the RC price	Excess amount paid in %
1.	2014-15	4,12,52,480	1,77,96,246	2,34,56,234	131.80
2.	2015-16	6,00,42,870	2,31,47,107	3,68,95,763	159.40
3.	2016-17	19,16,02,438	8,10,93,891	11,05,08,547	136.27
4.	2017-18	32,31,82,772	10,82,12,729	21,49,70,045	198.66
5.	2018-19	27,98,07,620	15,54,16,827	12,43,90,793	80.04
		89,58,88,180	38,56,66,800	51,02,21,382	132.30

On comparing the price variation of some of the drugs (sample collection of 20 drugs) between purchase value of some firms and sale value to DIMS, there is huge variation between the purchase value of firm to sale value to ESI. Even after adding the trade margin to price cost @ 20% the variation cost is 60,76,192/-. If the Directors had purchased the above drugs either under RC or Open Tender system through-procurement for the drugs which are not available in RC, huge amount would have been saved to the Government exchequer.

From 2014-15 to 2018-19, purchased drugs at exorbitant rates and paid an excess amount of Rs.51.02 Cr. more to Non Rate Contract firms when compared with the prices of ESIC Rate Contract firms.

From 2014-15 to 2018-19, purchased drugs at exorbitant rates and paid an excess amount of Rs.5.71 Cr. more to Non RC firms when compared with purchase price of M/s. RaasiPharma and M/s. VeereshPharma (Non RC firms) with sale price to DIMS

2. The drugs under Non RC were procured by the directors from Non RC firms (local distributors) without following due procedure of tender system. The Directors and staff of Central Drug Store fabricated the quotations and envelop covers of the quotations to avoid competitive bidding and to favour firms of their choice for person gains and thereby made huge wasteful expenditure in procurement of drugs.

During course of enquiry, randomly secured and some of the distributors, who supplied drugs under Non RC to DIMS. On examination, they all categorically stated that they supplied Non RC drugs without any tender process. When approached the Directorate, the then Directors advised them to supply medicines by furnishing a list of drugs to be supplied. Accordingly, they submitted quotations by mentioning the prices as furnished by the Pharmacist. The other quotations were fabricated by the Pharmacist and the staff of Central Drug Store of DIMS. They supplied the required medicines as per purchase orders issued by the Director IMS. They supplied drugs with more than 50% excess price than the

RC drugs. They supplied at exorbitant rates to pay bribe amounts to Directors, staff of Central Drug Store. They also stated that they paid bribes to the Directors, staff and the then politicians in getting POs and payments for supply of the Drugs.

No letters are communicated to the Non RC firms calling for quotations and not aware how the quotations were submitted by firms. He has not gone through the quotations and comparative statements before approving the LI quotation, and he only signed comparative statement without verifying the genuineness of the other quotations said to have been submitted by different firms. The Sr.Assistant, Sri E.RameshBabu submitted note for non RC drugs by mentioning that RC companies are not supplying those drugs but there is no evidence proof in support of the notice. On perusal of envelop covers of quotations submitted by different firms it is noticed that the hand writings on most of the envelop covers seems to be one and the same.

3. During enquiry, it is revealed that Rs.115.00 Cr. worth Lab kits were purchased during 2014-15 to 2018-19 from the firms outside the State in violation of G.O.Ms.No. 51, I&C (MSME) Dept., Dt.01.06.2010. Out of 237.03 Cr. The Lab kits worth Rs.115.00 Cr. were purchased only from three companies (Avantor Performance India Pvt., Ltd., Legend Enterprises and Omni Medi) and payments were made to those companies from irrelevant Head of Account (HOA). During the period 2014-15 to 2018-19, the DIMS purchased Lab kits from M/s. Legend Enterprises worth Rs.68.58 Cr. without calling open tenders and without entering into any MoU or agreements in violation of guidelines. Further out of Rs.68.58 Cr. payment for amount of Rs.22.21 Cr. was paid from irrelevant HOA 210/212 instead of HOA 210/211. HOA 210/212 is meant for purchase of Drugs against the financial rules and budget manuals. During the period 2014-15 to 2018-19, the DIMS purchased Lab kits from M/s. Avantor Performance Materials India Ltd., worth Rs.43.32 Cr. without calling open tenders and without entering into any MoU or agreements in violation of guidelines. Further out of Rs.43.32 Cr. payment for amount of Rs.19.85 Cr. was paid from irrelevant HOA 210/212 instead of HOA 210/211. HOA 210/212 is meant for purchase of Drugs against the financial rules and budget manuals. During the period 2014-15 to 2018-19, the DIMS purchased Lab kits from M/s. Omni Medi worth Rs. 3.15 Cr. without calling open tenders and without entering into any MoU or agreements in violation of guidelines and the amount was paid from irrelevant HOA 210/212 instead of HOA 210/211. HOA 210/212 is meant for purchase of Drugs against the financial rules and budget manuals.

In violation of Rules prescribed under AP Budget Manual and the Appropriation Acts passed by the State Legislation, the office of the DIMS purchased items irrespective of the objective head for which budget released. During 2014-15 to 2018-19, an amount of Rs.68.87 Cr deviated from one objective head to other objective head for purchase of items. Year wise and objective head wise details are herewith enclosed. The abstract of deviation of budget and payments from irrelevant Head of Account is as follows:-

Sl.No.	Subject Head	Diverted Head	Amount
1.	Material & Supply - 210 /211	OOE - 130 / 132	87,70,875
2.	Drugs & Medicines - 210 /212	OOE - 130 / 132	1,05,68,163
3.	Maintenance - 270 / 272	OOE - 130 / 132	49,82,527
4.	Maintenance - 270 / 272	Material & Supply - 210 / 211	89,26,924
5.	Drugs & Medicines - 210 /212	Material & Supply - 210 /211	12,62,49,363
6.	Material & Supply - 210 /211	Drugs & Medicines - 210 /212	52,92,83,116
	TOTAL		68,87,80,968

4. During the period from 2014-2019 the Directors, issued orders for purchasing of Drugs worth of Rs.698.36 Crores i.e., beyond the budget provisions of Rs.293.51 Crores which is in excess of 140% and thereby caused undue favour to Non RC firms.

The following table shows year wise budget allotted for procurement of drugs and value of purchase orders issued by the then Directors beyond the budget provision.

Sl. No	Year	Budget provision for procurement of drugs	P.Os issued by the then Directors	RC	P.Os for Non RC	Excess in 140%
1.	2014-15	28.70	36.05	31.71	4.33	7.35
2.	2015-16	40.03	166.06	159.68	6.37	126.03
3.	2016-17	32.89	83.17	62.93	20.23	50.28
4.	2017-18	101.12	149.58	111.41	38.16	48.46
5.	2018-19	90.77	263.50	228.40	35.10	172.73
	Total	293.51	698.36	594.13	104.19	404.85

5. The Drugs are to be purchased on ESIC Rate Contract from Rate Contract Holders invariably. In case of non-supply of drugs by Rate Contract 1st preference Holder (L1), supply order should be placed to firms on 2nd (L2) and 3rd (L3) preferences. But, he purchased Drugs under Non RC by issuing purchase orders to Non RC Distributors Dealers by citing a reason of non-supply of Drugs by RC companies. On verification of PO files, in none of the files, he issued purchase orders to RC companies and simply mentioned in the note files that the RC companies are not supplying the medicines. Thus he violated the ESIC guidelines by mentioning false information in note files.

6. As per ESIC guidelines, the payments to the firms should be made on first come first serve' basis. To avoid and discourage RC companies and to encourage Non RC Distributors/ Dealers, the Directors did not make payments to pending bills of RC companies, which are pending even before bifurcation of AP State. The Directors encouraged Non RC Distributors Dealers by clearing their pending bills without following first come first serve' basis and purchased at exorbitant rates by violating the ESIC guidelines.

The officials examined the rate contract firm to ascertain pending of bills and issue of non-supply, they categorically stated that despite of repeated requests, the Director, IMS, AP did not pay the pending bills. They never submitted reply to Director, IMS for non-availability and non-supply of drugs. The Director, IMS, AP gave preference in payments to Non RC firms and kept their bills pending.

7. As per G.O.51 only Specialist Drugs (Generic), Surgical items, Consumables are to be purchased under Non RC in open tender system by way of e-procurement, but purchased branded (Non generic) Drugs, Surgical Consumables items, etc., from the selected firms by illegal means without following procedure for procurement through tenders.

8. Purchased Medical Equipment costing more than Rs.1.00 Lakh by quotation system, in violation of guidelines issued in ESIC and Govt of AP. As per the guidelines, the equipment should be purchased by Two Bid system (Technical and Price Bid) through open tender by way of e-procurement through vide G.O.Ms.No.258, Finance (TFR) Dept., Dt.20.09.2013, G.O.Ms.No.2, Finance (Works & Projects-F7) Dept. Dt.03.02.2014 and G.O.Ms.No.40, Finance (TFR) Dept., Dt. 14.02.2014. On perusal of the purchase orders, the Medical Equipment costing more than Rs. 1.00 Lakh was purchased without calling tenders. Before issue of purchase order for the items costing more than Rs.1.00 Lakh, the Director has to constitute a Technical Committee to frame the specifications of the equipment. But, the Directors purchased Medical Equipment without constituting Technical Committee by deviating ESIC guidelines. As per ESIC guidelines, all the tenders should be evaluated by Technical Evaluation Committee, the approved recommendations of the Technical Evaluation Committee should be placed before Purchase Committee for review & recommendations and the Director has to issue approval after receipt of

recommendations from the Purchase committee. But, all the purchases were made without constituting Technical Committee and Purchase Committee.

He issued purchase order to M/s. Legend Enterprises, Hyderabad in the month of April, 2015, for procurement of Hemo Cue Hb Alc 501 Analyser (57) and WBC Differential Analyser(78) worth Rs.2.46 crores and purchased the items without calling for open tenders and quotations and without entering in to MoU with the firm. Though the destination point for delivery of the above products as per purchase order / tax invoice is O/o JD, Vijayawada and JD, Kadapa, the products were received in his office.

9. Lab kits were purchased by violating G.O.Ms.No.258, Finance (TFR) Dept., Dt.20.09.2013, G.O.Ms.No.2, Finance (Works & Projects-P7) Dept., Dt.03.02.2014, G.O.Ms.No.40, Finance (TFR) Dept., and Dt.14.02.2014. As per G.O. purchase of all materials/ articles goods products works services, etc., shall be procured through C-Procurement, where the cost is more than Rs. 1.00 Lakh. The Lab kits were purchased from the Distributors and Dealers instead of Manufacturing Firms, which are in the approved list of ESI Corporation (AP), by violating ESIC guidelines No.U-16/52/2001/Med-III Dt.22.11.2016 and Purchase Procedure Guidelines of ESIC. On perusal of the purchase orders, the Lab kits were purchased without calling tenders. During enquiry, it is revealed that Rs.115.00 Cr. worth Lab kits were purchased during 2014-15 to 2018-19 from the firms outside the State in violation of G.O.Ms.No. 51, I&C (MSME) Dept., Dt.01.06.2010. Out of 237.03 Cr. The Lab kits worth Rs.115.00 Cr. were purchased only from three companies (Avantor Performance India Pvt., Ltd., Legend Enterprises and Omni Medi) and payments were made to those companies from irrelevant Head of Account (HOA). During the period 2014-15 to 2018-19, the DIMS purchased Lab kits from M/s.Legend Enterprises worth Rs.68.58 Cr. without calling open tenders and without entering into any MoU or agreements in violation of guidelines. Further out of Rs.68.58 Cr. payment for amount of Rs.22.21 Cr. was paid from irrelevant HOA 210/212 instead of HOA 210/211. HOA 210/212 is meant for purchase of Drugs against the financial rules and budget manuals. During the period 2014-15 to 2018-19, the DIMS purchased Lab kits from M/s. Avantor Performance Materials India Ltd., worth Rs.43.32 Cr. without calling open tenders and without entering into any MoU or agreements in violation of guidelines. Further out of Rs.43.32 Cr. payment for amount of Rs.19.85 Cr. was paid from irrelevant HOA 210/212 instead of HOA 210/211. HOA 210/212 is meant for purchase of Drugs against the financial rules and budget manuals. During the period 2014-15 to 2018-19, the DIMS purchased Lab kits from M/s.Omni Medi worth Rs. 3.15 Cr. without calling open tenders and without entering into any MoU or agreements in violation of guidelines and the amount was paid from irrelevant HOA 210/212 instead of HOA 210/211. HOA 210/212 is meant for purchase of Drugs against the financial rules and budget manuals.

The above lab kits / consumables were purchased by violating G.O.Ms. No. 51, LET&F Dept., Dt. 09.04.2012. As per the GO the Lab kits / consumables are to be procured under Open Tender System by way of e-procurement by constituting Drug Procurement and Tender Scrutiny Committees. The payments were made by splitting the amount below Rs.5.00 Lakhs for each PO to avoid Open Tender system by way of e-Procurement. This clearly shows that the Directors purchased Lab kits worth Rs.237.03 Cr. only from three companies of their choice by deviating all the relevant G.Os & guidelines.

He has given work order for Rs.2.05 crores per annum for Annual Maintenance of installed HemoCue lab equipments to M/s.Legend Enterprises without calling for open tenders and without entering into MoU. On examination, the Hemocue, who is having patent right to supply such lab equipment has categorically stated that it has not authorized to supply of Hemocue products through M/s.Legend Enterprises and others. He purchased lab kits from Avantor, Legend and Omini Medi without calling for open tenders. During his tenure some of the payments were made to Avantor Performance materials India Ltd., Legend Enterprises and Omni Medi from irrelevant Head of Account (HOA) by violating financial rules.

From this, it is evident that he has exhibited lack of integrity, irresponsible towards his legitimate duties, maintaining integrity, devotion to duty and unbecoming of a

Government Servant and hereby violated Rule 3(i) of the AP Civil Services (Conduct) Rules, 1964.

Hence, the charges.

G. ANANTHA RAMU
SPECIAL CHIEF SECRETARY TO GOVERNMENT (FAC)

//FORWARDED::BY ORDER//

J. N. S. Kumar
SECTION OFFICER

ANNEXURE - III

List of documents on the basis of which the Article of Charges framed against Dr. B. Ravi Kumar, CSS, ESI Hospital, Vijayawada, Krishna District and the then I/c Director, Insurance Medical Services.

1. G.O.Ms.No.258, Finance (TFR) Dept., Dt.20.09.2013.
2. G.O.Ms.No.2, Finance (Works & Projects-F7) Department, Dt.03.02.14.
3. G.O.Ms.No.40, Finance (TFR) Dept., Dt.14.02.2014.
4. G.O.Ms.No.51, I&C (MSME) Dept., Dt.01.06.2010.
5. G.O.Ms.No.51, Dt.09.04.2012 of LET&F Dept.
6. Circular No.13/CDS/2014, Dt.31.05.2016 of the Director, Insurance Medical Services
7. Purchase procedure guidelines of ESIC vide LR.NO.U-16/52/2001/MED-III (AP), dt.22.11.2015.
8. Article 3 and 4 of Andhra Pradesh Financial Code.
9. Appendix I of part 3 of Andhra Pradesh Budget Code.
10. Vigilance Report No. 01 (C.No. 2982/V&E/Sec-II/D2/2019-1,2& 836/ DG/ V&E/ Sec-II/D2/2019) Dt.03.01.2020 of the Director General (V&E) & E.O. Prl. Secretary to Government, General Administration (V&E) Department.

G.ANANTHA RAMU
SPECIAL CHIEF SECRETARY TO GOVERNMENT (F&C)

//FORWARDED::BY ORDER//

K. Vijaya Kumar
SECTION OFFICER
K

ANNEXURE - IV

List of witness by whom the Article of Charges framed against Dr. B. Ravi Kumar, CSS, ESI Hospital, Vijayawada, Krishna District and the then I/c Director, Insurance Medical Services.

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G.ANANTHA RAMU
SPECIAL CHIEF SECRETARY TO GOVERNMENT (FAC)

//FORWARDED::BY ORDER//

K. Vijaya Kumar
SECTION OFFICER